

Defining an Agenda for Poverty Reduction

Published by the Asian Development Bank, 2002

This book was prepared by staff of the Asian Development Bank (ADB) and participants in the First Asia and Pacific Forum on Poverty held at ADB Headquarters in Manila in February 2001. The analyses and assessments contained herein do not necessarily reflect the views of the ADB, or its Board of Directors or the governments they represent. ADB does not guarantee the accuracy of the data included in this publication and accepts no responsibility for any consequences of their use. The term “country” does not imply any judgment as to the legal or other status of any territorial entity.

The Asian Development Bank encourages the use of the material presented herein, with appropriate credit given to the published author. Please address inquiries for copies to the Chief, Office of External Relations, Asian Development Bank, P.O. Box 789, 0980, Manila, Philippines.

All rights reserved

Publication Stock No. 060102

ISBN: 971-561-457-4

Defining an Agenda For Poverty Reduction

Proceedings of the First Asia and Pacific
Forum on Poverty (Volume 1)

Edited by Christopher Edmonds and Sara Medina

Asian Development Bank
2002

Table of Contents

Table of Contents	v
Acknowledgements	viii
List of Tables	ix
List of Boxes and Figures	xi
List of Abbreviations	xii
Introduction: An Overview of the First Asia and Pacific Forum on Poverty	3
Broad strategies for reducing poverty in Asia and the Pacific— Macroeconomic policy and the role of multilateral development institutions.	
Inaugural Address of <i>Tadao Chino</i>, President, Asian Development Bank	45
Keynote Address of Nobel Laureate <i>Robert Mundell</i> Lowell Harriss Professor of Economics, Columbia University, New York City, US	49
Address by <i>James Wolfenson</i>, President, World Bank, Washington D.C., US	65
Address by <i>Masood Ahmed</i>, Deputy Director, Policy Development and Review Department, International Monetary Fund, Washington D.C., USA	67
Address by <i>Jean-Claude Faure</i>, Chairman, Development Assistance Committee, Organization for Economic Cooperation and Development, Paris, France	70
Address by <i>Hafiz Pasha</i>, Assistant Administrator and Director, Regional Bureau for Asia and the Pacific, United Nations Development Programme, New York, USA	75
Address by <i>Roger Ehrhardt</i>, Director General, International Financial Institutions, Canadian International Development Agency, Ottawa, Canada	81
Address by <i>Patricia Buckles</i>, Philippines Mission Director, United States Agency for International Development, Manila, Philippines	85

Fostering good governance in the fight to reduce poverty

A Conceptual Framework for Designing a Country Poverty Reduction Strategy 91

Ronald Duncan, Professor of Economics, Asia Pacific School of Economics and Management, Australian National University and *Stephen J. Pollard*, Senior Economist, Pacific Department, Asian Development Bank

E-Government: Supporting Public Sector Reform and Poverty Reduction in the Asia-Pacific Region 108

Clay Wescott, Senior Public Administration Specialist, Asian Development Bank

Legal Literacy and Poverty Reduction 131

Hamid Sharif, Senior Counsel, Office of the General Counsel, Asian Development Bank

Operationalizing the MTEF in the Philippines - a Key to Reducing Poverty 138

Laura Pascua, Assistant Secretary, Department of Budget and Management, Government of the Philippines, Manila, Philippines

The role of civil society and the private sector in poverty reduction efforts

The Privatization of Poverty Alleviation 147

Mechai Viravaidya, Senator and Founding Director of the Population and Community Development Association, Bangkok, Thailand

Soft Hearts and Hard Heads: The Private Sector's Centrality to Poverty Reduction 155

Christine Wallich, former Head, Private Sector Group, and Director, Infrastructure, Energy, and Financial Sectors Department (West), Asian Development Bank

Working together with the Private Sector: Better Access to Water for Marginalized Communities 163

Lisette Provencher, Program Manager, Philippines Office, Lyonnaise des Eaux Company and Advisor, Maynilad Water Services Inc., Manila, Philippines

Public-Private Partnership in Infrastructure and Poverty Reduction: The PPIAF Experience 166

Russell Muir, Program Manager, Public-Private Infrastructure Advisory Facility, World Bank, Washington, D.C., USA

Paths Out of Poverty 169

Guy Pfeffermann, Chief Economics Advisor, International Finance Corporation, Washington, D.C., USA

A Finance Model for Small Entrepreneurs and e-Planters.com: The Planters Bank Experience 172

Jesus Tambunting, Ambassador, and Chairman and CEO, Planters Development Bank, Manila, Philippines

Using Assets and Partnerships to Address Rural Poverty	175
<i>Bruce Moore</i> , Coordinator, Popular Coalition for the Eradication of Hunger and Poverty, International Fund for Agricultural Development, Rome, Italy	
Special topics—Targeted poverty reduction mechanisms	
Labor Markets	
Poverty Alleviation, Employment, and the Labor Markets: Lessons from Asian Experience and Policies	187
<i>Rizwanul Islam</i> , Director, Recovery and Reconstruction Department, International Labour Organisation, Geneva, Switzerland	
Gender	
Gender Dimensions of Poverty in Pakistan: An Examination Based on Household Survey Data	207
<i>Rehana Siddiqui</i> , Senior Research Economist, Pakistan Institute of Development Economics, Islamabad, Pakistan	
Poverty and Gender in India: Issues for Concern	233
<i>Enakshi Ganguly</i> , Executive Secretary, HAQ—Center for Child Rights	
Resettlement	
Risk Assessment and Management in Involuntary Resettlement	254
<i>Michael Cernea</i> , Senior Advisor, Sociology/Social Policy, World Bank, Washington, D.C., USA	
Country studies—poverty in Asia and the Pacific	
Poverty Reduction through Decentralization	269
<i>S. M. Vijayanand</i> , Secretary, Local Governance, Kerala State, India	
Understanding Rural Poverty in Nepal	293
<i>Devandra Chhetry</i> , Professor of Statistics, Tribhuvan University, Kathmandu, Nepal	
Food Security and Development in the Lower Mekong River Basin and the Need for Regional Cooperation: A Challenge for the Mekong River Commission	315
<i>Joern Kristensen</i> , Chief Executive, Mekong River Commission, Phnom Penh, Cambodia	
Poverty in the Fiji Islands and the Pacific Islands	330
<i>Crosbie Walsh</i> , Adjunct Professor, University of the South Pacific, Suva, Fiji	

Acknowledgements

The editors of Volume One and Volume Two of the Proceedings of the First Asia and Pacific Forum on Poverty wish to thank the many people without whose hard work and cooperation it would not have been possible to convene the Forum or to produce these two books. More than 300 poverty experts, representatives of ADB member countries, policy researchers, stakeholder representatives, spokespersons from numerous bilateral and multi-lateral development institutions, as well as ADB staff, met at the headquarters of the Asian Development Bank (ADB) in Manila for the Forum in February 2001. These two volumes compile many of the papers and speeches prepared for and presented at the Forum.

A heartfelt thank-you is extended to the authors who prepared excellent papers and speeches, and who patiently responded to the various rounds of editing carried out to finalize these publications. Without these excellent contributions, it clearly would not have been possible to prepare these volumes of proceedings. We also wish to express our gratitude to the many individuals that worked preparing the volumes. Joyce Gorsuch and Reggie Capuno carried out early review and editing of some of the papers in Volume 1. Also special thanks is due to Sara Medina, who devoted a significant amount of time in assisting with editing and corresponding with the authors of Volume 2. The publications also benefited greatly from the technical assistance of Adeluisa Burgos, Rafaelita Jamon, Rodrigo Lachica, and Karen Rosario. Rhommell Rico's excellent desktop-publishing work for the volumes was vital to their publication.

Many other people provided invaluable assistance with the numerous tasks required to organize a Forum on the scale of the First Forum on Poverty Reduction. Brahm Prakash, Karti Sandilya, and Cedric Saldanha headed the ADB divisions charged with leading the efforts to organize the Forum. Their support was instrumental in to successful implementation of the Forum. J. P. Verbiest was supportive in fostering progress in the work to prepare these proceedings in his capacity as Officer-in-Charge of the Economics and Research Department (ERD). Thanks are also due to Carolyn Heider, Isabel Ortiz, and Steven Pollard, and other staff from the Poverty Reduction Unit of ADB's Strategy and Policy Department, who were key partners in organizing the Forum. Outside ADB, many individuals helped coordinate the participation and contribution of their respective organizations to the Forum and to these volumes. Although these people are too numerous to mention by name, this does not diminish our appreciation of their efforts.

List of Tables

1.1	Inflation and Growth, Averages, 1963–72 and 1973–1982	52
1.2	Alternative Fixed Points of Economic Policy	54
20.1	Growth and Elasticity of Employment in Manufacturing in Selected Countries of Asia	188
20.2	Growth Rates of Real Wages in Agriculture and Manufacturing in Selected Asian Countries	190
20.3	Growth of Real Wages in Southeast Asian Countries before and during the Economic Crisis	190
20.4	Direct Interventions for Poverty Alleviation: Some facts on Selected Programs in Selected Asian Countries	193
21.1	Gender Ratio Over Time	209
21.2	Female Population and Gender Ratios by Age	210
21.3	Literate Population (10 years and above) by Gender in Pakistan	210
21.4	Supply of Schooling by Gender in Pakistan	211
21.5	Availability of Teachers and the Gender Ratio	211
21.6	Enrollment in Educational Institutions	212
21.7	Life Expectancy at Birth by Gender	213
21.8	Anemia among Population by Gender	213
21.9	Refined Activity Rate: Pakistan and Provinces	214
21.10	Trend in Employment Status	215
21.11	Estimated Earning Functions	217
21.12	Distribution of Households by Gender of the Head of Household	218
21.13	Distribution of Gender Among Heads of Household by Income Group	219
21.14	Gini Coefficient and Distribution of Income	221
21.15	Gender-Based Poverty Measures in Pakistan	222
21.A1	Indicators of Gender Status in South Asia	225
21.A2	Indicators of Women Empowerment	225
21.A3	Performance in the Education Sector	226
21.A4	Malnutrition among Children by Gender (1990–1994)	227
21.A5	Percentage Distribution of Employed Female Labor Force by Industry	228
22.1	Comparing Indicators of Human Development, 1999	238
24.1	Features of Development in Kerala Compared to India	269
24.2	Percentage of Families Below the Poverty Line	270
24.3	Human Poverty Index and Human Development Index Values for Kerala and Selected Asian Countries	271
24.4	Comparison of Capability Poverty Measures in Kerala and India	272
24.5	Human Development Measures for Kerala at the Macro Level	272
24.6	Human Development Measures for Kerala at the Micro Level	272
24.7	Percentage of Families in Kerala Below the Poverty Line	273
24.8	Families Below the Poverty Line in Kerala By Occupation Group	273
24.9	Tentative Results of 1997 Survey of Poverty in Kerala	274

24.10	Features of Malappuram District, Kerala	285
25.1	Human Poverty Index for Pacific Island Countries	295
25.2	Growth Rates of Gross Domestic Product by Sector and Plan Period	299
25.3	Gross Domestic Product Growth Rates by Sector	300
25.4	Comparison of Per Capita Incomes of Rural Urban Residents	300
25.5	Intercensal Population Growth Rates by Region	303
25.6	Age Composition of the Population	304
25.7	Distribution of Farm Households and Operational Land across Farm Categories	305
25.8	Literacy Rate (6+) by Gender and Quintile Group	306
25.9	Comparison of Backward Region's Poverty with all Nepal's Poverty	309
25.10	Socioeconomic and Demographic Profile of Landless/Marginal, Small, and Large Farm Households in Nepal	310
26.1	Fish Production in the Lower Mekong Basin	318
26.2	Food Security	319
27.1	Asia Pacific Comparisons	334
27.2	Distribution of Household Weekly Income by Deciles 1990–91	339
27.3	Some Characteristics of Poor and Rich Households	340

List of Boxes and Figures

9.1	Conceptual Framework	100
10.1	Integrated Financial Management Model	113
11.1	Theoretical Perspectives	132
11.2	Law and Policy Reform as Part of Governance	133
11.3	Findings of a Study on Legal Literacy	136
22.1	All Issues Are Women's Issues and Women's Issues Are Everyone's Issues...	251
24.1	Empowerment of the Poor: An Unfolding Process	292
25.1	Percentage Share of Agricultural and Nonagricultural Sectors in Total GDP	302
25.2	Literacy Rates of 29 Major Caste/ethnic Groups	308
26.1	Example of Fish Migration In The Region	323
27.1	The Pacific Islands: Relative Sizes and Distances	330
27.2	Pacific Islands Population	331
27.3	Asia Pacific Comparisons: Human Development Index 1998	333
27.4	Marked Income Inequality: Household Distributions 1990–1991	337
27.5	Households Under the Three Poverty Lines	338
27.6	Poverty and Vulnerability	338
27.7	Housing: The Rich-Poor Gap	341
27.8	Eradicating Poverty: Where We Are and Where We Need to Be	342

List of Abbreviations

ADB	Asian Development Bank
APEC	Asia Pacific Economic Cooperation (forum)
APP	Agriculture Perspective Plan (Nepal)
ASEAN	Association of South East Asian Nations
BRAC	Bangladesh Rural Advancement Committee
CARD	Computer-aided Administration of Registration Department (Andhra Pradesh, India)
CIDA	Canadian International Development Agency
DAC	Development Assistance Committee (of the OECD)
DALY	Disability-adjusted life years
DBM	Department of Budget and Management (Philippines)
EDG	Electronic discussion groups
EDI	Electronic data interchange
FGT	Foster-Greer-Thorbecke (index of poverty)
GDI	Gender development index
GDP	Gross domestic product
GEM	Gender empowerment measure
GNP	Gross national product
HDI	Human development index
HIES	Household Integrated Economic Survey (Pakistan)
HIV/AIDS	Human immunodeficiency virus/acquired immunodeficiency syndrome
ICFTU-APRO	International Confederation of Trade Unions—Asian and Pacific Regional Office
ICT	Information and communication technology
IFC	International Finance Corporation
IFI	International financial institutions
IIE	Institute of International Economics
ILO	International Labour Organisation
IMF	International Monetary Fund
IMR	Infant mortality rate
IRDP	Integrated Rural Development Program (India)
IRR	Impoverishment Risks and Reconstruction
Lao PDR	Lao People's Democratic Republic
LDC	Least Developed Country
LMB	Lower Mekong (River) Basin
MRC	Mekong River Commission
MTEF	Medium-Term Expenditure Framework (Philippines)
NEDA	National Economic Development Authority (Philippines)
NGO	Nongovernment organization
NPC	National Planning Commission (Nepal)
NSCA	National Sample Census of Agriculture (Nepal)

OECD	Organization for Economic Cooperation and Development
PCI	Per capita income
PDB	Planters Development Bank (Philippines)
PNG	Papua New Guinea
PRC	People's Republic of China
PRSP	Poverty Reduction Strategy Paper
PSO	Public service obligation (Bangladesh)
RMB	Renminbi (currency of the People's Republic of China)
SAP	Structural adjustment program
SC	Scheduled castes (India)
SDR	Special drawing rights
SME	Small and medium-sized enterprise
ST	Scheduled tribes (India)
UNAIDS	United Nations Program on HIV/AIDS
UNCTAD	United Nations Commission for Trade and Development
UNDP	United Nations Development Programme
URL	Uniform Resource Locator
VAT	Value-added tax

